



STATE OF WISCONSIN
Department of Employee Trust Funds
A. John Voelker
SECRETARY

Wisconsin Department
of Employee Trust Funds
PO Box 7931
Madison WI 53707-7931
1-877-533-5020 (toll free)
Fax 608-267-4549
etf.wi.gov

Correspondence Memorandum

Date: June 4, 2025
To: Employee Trust Funds Board
From: Cindy Klimke-Armatoski
Chief Trust Finance Officer
Subject: Actuarial Audit of the Wisconsin Retirement System

This memo is for informational purposes only. No Board action is required.

The Governmental Finance Officers Association recommends public pension fiduciaries provide for actuarial audits at least once every five years. Their best practice standard states:

Due diligence requires that pension plan fiduciaries and plan sponsors exercise prudence in selecting service providers such as actuaries and monitor the quality of their work. An actuarial audit is a valuable tool for monitoring the quality of actuarial services performed on behalf of the pension plan.

An actuarial audit involves engaging the services of an outside actuary (reviewing actuary) to scrutinize the work of the plan's consulting actuary. Actuarial audits are helpful for several reasons:

- 1. They enhance the credibility of the actuarial valuation process by providing independent assurance that it was performed in accordance with actuarial standards of practice;*
- 2. They increase public trust in how the pension plan is being governed;*
- 3. They help plan fiduciaries to assess whether the pension plan is meeting its funding objectives;*
- 4. They can lead to the remediation of errors that might otherwise go undiscovered; and*
- 5. They can provide recommendations for improving the actuarial valuation process, including how information is presented in the actuarial valuation report and in other communications.*

In Wisconsin, actuarial audits of the Wisconsin Retirement System (WRS) have been a standard practice since 1990. The Legislative Audit Bureau has the statutory responsibility to contract for an actuarial audit at least every five years.

Reviewed and approved by Diana Felsmann, Deputy Secretary
Electronically Signed 05/29/2025

Board	Mtg Date	Item #
ETF	06.19.25	4A

Cheiron, Inc. (Cheiron) recently completed an audit of the 2023 Retired Lives, 2023 Active Lives and Gain Loss Analysis, and the 2018-2020 Experience Study. The valuations and study included in the audit were prepared by Gabriel, Roeder, Smith & Company (GRS).

Cheiron concluded results of the actuarial valuations were reasonable and accurate based on the adopted assumptions and methods. They recommended an increase to the salary increase assumption and made other recommendations to improve the clarity and understanding of the reports. A response from GRS is included in the audit report.

Consultants from Cheiron will be at the Board meeting to discuss their findings and recommendations and to address any questions.

Attachment A: [Wisconsin Retirement System Actuarial Audit](#)